

DEL NORTE COUNTY ECONOMIC FORECAST

Del Norte County is the northwest-most county in California. The county shares its northern border with the state of Oregon, and the closest city with more than 100,000 residents is Eugene, Oregon, 225 miles to the north. Del Norte County has a population of 29,355 people and 8,125 wage and salary jobs. The per capita income in Del Norte County is \$20,675, and the average salary per worker is \$34,840. In 2006 the median household income in Del Norte County was estimated at \$43,900.

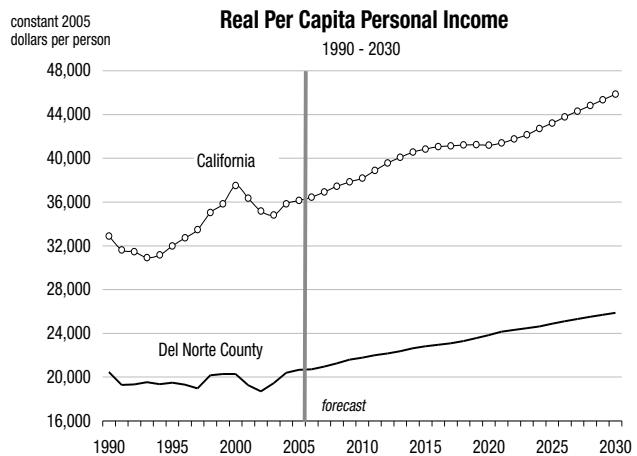
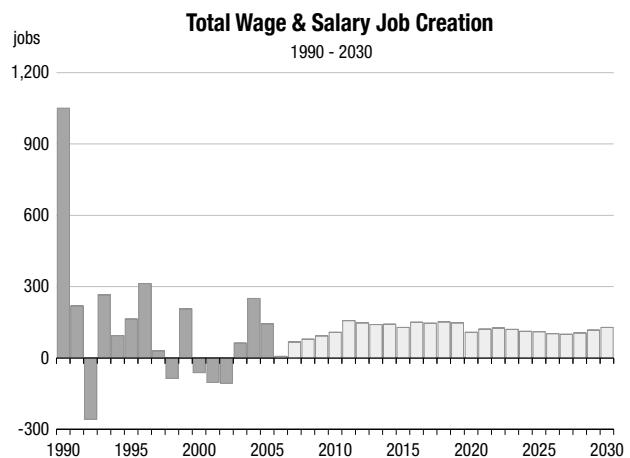
In 2005, 144 total wage and salary jobs were created in Del Norte County, a gain of 1.8 percent. Non-farm employment, which accounts for over 95 percent of total employment, added 154 jobs. The unemployment rate declined to 7.4 percent in 2005.

The principal sector that is producing jobs in Del Norte County is healthcare and education, which created 73 jobs last year. The public sector is the largest jobs sector in the county, contributing 44 percent of total employment. Pelican Bay State Penitentiary, located in Crescent City, is one of the largest employers in the county. The penitentiary employs 1,500 people, and houses over 3,400 inmates. The other largest employment sectors in the county are leisure services, education and healthcare services, and trade, transportation, and utilities.

The population grew in Del Norte County at a rate of 0.3 percent in calendar 2005. The only incorporated city in the county is Crescent City, which grew 0.1 percent between January 2005 and January 2006. Migration was positive last year, with an estimated 200 net migrants entering the county.

FORECAST HIGHLIGHTS

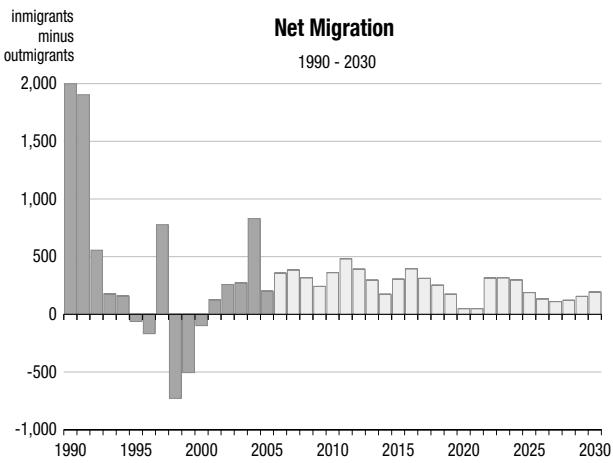
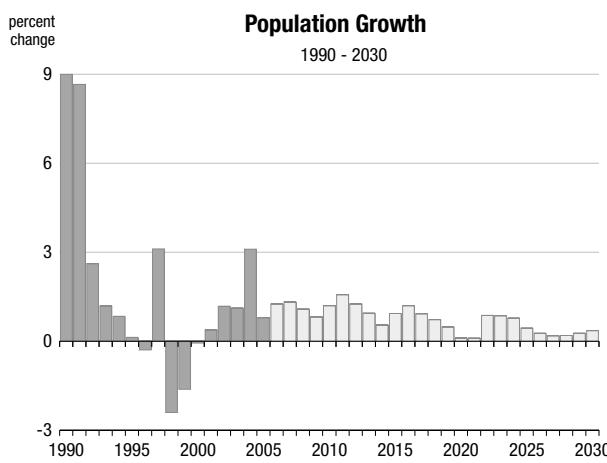
- Total wage and salary job growth is forecast to moderate to 0.7 percent in 2006. From 2006 to 2010, total employment growth averages 0.9 percent per year.
- Average salaries adjusted for inflation are currently below the California state average, and will remain so over the forecast period. Inflation adjusted salaries are expected to rise an average of 0.1 percent per year over the next 5 years.
- Between 2006 and 2010, the momentum for employment growth is in government, manufacturing and trade, transportation and utilities. These sectors account for over 94 percent of all jobs created in the county over the next five years.
- Total taxable sales, adjusted for inflation, are forecast to rise at a rate of 1.5 percent in 2006. Over the next five years real taxable sales growth is forecast to average 2.8 percent per year.
- Annual growth in the 2006 to 2010 period averages a modest 1.1 percent per year.
- Net migration will rise to 360 people in 2006. Over the next five years migration is expected to average approximately 330 net migrants per year. Virtually all of growth will come from net migration because the natural increase is nearly zero.
- Real per capita income is forecast to increase 0.2 percent in 2006. Over the next five years real per capita incomes are expected to increase an average of 1.0 percent per year.
- Industrial production is forecast to increase 3.0 percent in 2006. Over the next five years the growth rate of industrial production will average 7.4 percent per year due to increases in manufacturing employment. Total crop production, adjusted for inflation, is expected to increase by an average of 0.7 percent per year between 2006 and 2010.



Del Norte County Economic Forecast

1997-2005 History, 2006-2030 Forecast

	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (millions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
1997	28,648	778	21.9	9.2	45	\$147.9	\$0.43	\$18,967	3.4	34.33	31.24	10.2
1998	27,963	-727	22.4	9.3	50	\$145.7	\$0.46	\$20,170	3.2	37.05	26.47	10.3
1999	27,513	-505	22.6	9.4	35	\$158.4	\$0.47	\$20,275	4.2	36.57	27.17	8.1
2000	27,497	-97	23.5	9.2	44	\$176.0	\$0.50	\$20,278	4.5	34.13	31.86	7.4
2001	27,605	127	24.7	9.2	56	\$181.1	\$0.50	\$19,255	5.4	35.31	27.78	8.1
2002	27,930	259	24.9	9.3	79	\$190.3	\$0.50	\$18,688	1.6	30.95	17.14	8.9
2003	28,244	274	25.3	9.3	127	\$191.3	\$0.53	\$19,436	1.8	35.33	15.18	8.6
2004	29,121	832	27.2	9.4	198	\$203.8	\$0.58	\$20,383	1.2	40.87	17.78	8.2
2005	29,355	202	27.3	9.5	123	\$216.3	\$0.61	\$20,675	2.0	41.94	22.64	7.4
2006	29,725	359	28.1	9.6	67	\$219.6	\$0.64	\$20,717	3.9	41.79	23.33	6.9
2007	30,120	386	28.6	9.7	112	\$225.0	\$0.67	\$20,963	2.4	42.42	26.57	6.6
2008	30,448	319	29.0	9.8	104	\$231.5	\$0.70	\$21,257	2.0	42.11	29.75	6.5
2009	30,701	244	29.4	9.9	97	\$239.1	\$0.73	\$21,592	2.0	42.89	31.32	6.6
2010	31,070	362	29.7	10.0	88	\$248.1	\$0.77	\$21,779	2.5	43.34	32.27	6.7
2011	31,560	484	30.1	10.0	102	\$257.3	\$0.81	\$21,990	2.4	43.19	35.78	6.7
2012	31,959	393	30.4	10.1	112	\$266.3	\$0.84	\$22,161	2.2	43.49	37.71	6.8
2013	32,261	298	30.8	10.2	101	\$275.7	\$0.88	\$22,357	2.3	43.94	39.08	6.9
2014	32,438	175	31.2	10.3	108	\$285.1	\$0.91	\$22,645	2.3	44.08	38.96	7.0
2015	32,744	305	31.6	10.4	95	\$295.4	\$0.95	\$22,816	2.5	44.37	38.21	7.1
2016	33,139	397	32.1	10.5	91	\$306.2	\$1.00	\$22,948	2.7	44.66	41.23	7.2
2017	33,448	312	32.5	10.6	104	\$317.3	\$1.04	\$23,086	2.7	44.37	42.45	7.2
2018	33,695	253	32.9	10.7	95	\$328.2	\$1.08	\$23,303	2.5	44.70	44.63	7.2
2019	33,860	174	33.4	10.8	87	\$339.4	\$1.13	\$23,571	2.5	44.94	45.81	7.2
2020	33,900	51	33.8	10.8	92	\$350.5	\$1.17	\$23,842	2.5	45.08	43.67	7.2
2021	33,936	51	34.2	10.9	93	\$361.6	\$1.22	\$24,144	2.4	44.80	41.63	7.2
2022	34,232	316	34.6	11.0	98	\$373.4	\$1.27	\$24,312	2.5	45.21	39.58	7.2
2023	34,527	319	34.9	11.1	99	\$385.4	\$1.32	\$24,471	2.5	44.94	37.77	7.2
2024	34,797	299	35.3	11.2	93	\$397.2	\$1.37	\$24,638	2.3	45.49	35.82	7.2
2025	34,952	190	35.7	11.2	93	\$409.5	\$1.42	\$24,876	2.4	45.62	33.94	7.2
2026	35,046	135	36.0	11.3	94	\$422.0	\$1.47	\$25,103	2.4	45.76	33.40	7.2
2027	35,112	112	36.3	11.4	83	\$435.0	\$1.52	\$25,316	2.5	45.89	33.07	7.2
2028	35,182	122	36.6	11.5	87	\$448.9	\$1.58	\$25,514	2.7	45.72	33.97	7.2
2029	35,280	156	37.0	11.6	92	\$463.1	\$1.64	\$25,700	2.7	46.16	34.97	7.1
2030	35,408	194	37.3	11.6	91	\$477.4	\$1.70	\$25,871	2.6	46.29	35.97	7.1

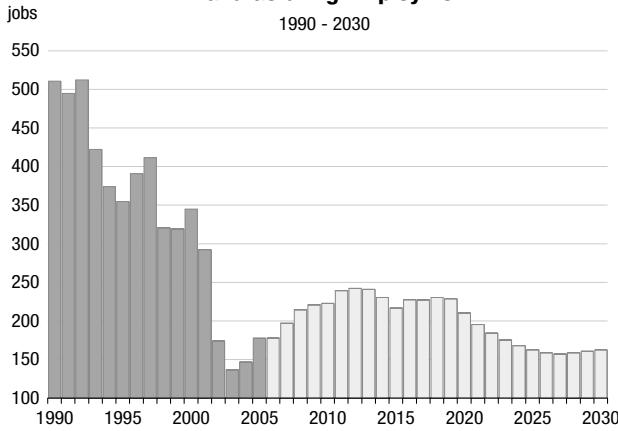


Del Norte County Employment Forecast

1997-2005 History, 2006-2030 Forecast

	Total Wage & Salary	Farm	Construction	Manufacturing	Trade, Transportation & Utilities	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	employment (thousands of jobs)										
1997	7.8	0.46	0.26	0.41	1.24	0.17	0.16	0.11	1.01	0.91	3.03
1998	7.7	0.44	0.27	0.32	1.22	0.17	0.17	0.09	0.97	0.96	3.06
1999	7.9	0.45	0.26	0.32	1.20	0.16	0.18	0.10	1.06	1.01	3.14
2000	7.9	0.45	0.24	0.35	1.14	0.14	0.19	0.09	1.03	0.87	3.33
2001	7.8	0.41	0.23	0.29	1.13	0.15	0.19	0.10	0.95	0.82	3.41
2002	7.7	0.40	0.21	0.17	1.10	0.17	0.17	0.13	0.99	0.82	3.42
2003	7.7	0.38	0.26	0.14	1.12	0.19	0.15	0.12	0.98	0.82	3.49
2004	8.0	0.38	0.26	0.15	1.18	0.20	0.15	0.10	0.99	0.88	3.62
2005	8.1	0.37	0.29	0.18	1.20	0.21	0.14	0.11	1.06	0.90	3.59
2006	8.1	0.37	0.29	0.18	1.21	0.21	0.14	0.11	1.06	0.90	3.60
2007	8.2	0.36	0.30	0.20	1.23	0.20	0.14	0.11	1.06	0.90	3.62
2008	8.3	0.36	0.30	0.21	1.25	0.20	0.14	0.11	1.04	0.90	3.66
2009	8.4	0.36	0.30	0.22	1.27	0.20	0.14	0.11	1.05	0.91	3.72
2010	8.5	0.36	0.30	0.22	1.29	0.20	0.14	0.11	1.06	0.91	3.80
2011	8.6	0.36	0.31	0.24	1.31	0.21	0.14	0.11	1.10	0.91	3.88
2012	8.8	0.36	0.31	0.24	1.33	0.21	0.14	0.11	1.13	0.92	3.96
2013	8.9	0.36	0.31	0.24	1.35	0.21	0.14	0.11	1.17	0.92	4.04
2014	9.1	0.35	0.31	0.23	1.36	0.21	0.14	0.11	1.23	0.92	4.11
2015	9.2	0.35	0.31	0.22	1.37	0.21	0.14	0.11	1.29	0.92	4.18
2016	9.3	0.35	0.31	0.23	1.39	0.21	0.14	0.11	1.35	0.93	4.24
2017	9.5	0.35	0.32	0.23	1.40	0.21	0.14	0.11	1.41	0.93	4.30
2018	9.6	0.35	0.32	0.23	1.42	0.21	0.14	0.11	1.48	0.93	4.36
2019	9.8	0.35	0.32	0.23	1.43	0.21	0.14	0.11	1.57	0.94	4.40
2020	9.9	0.35	0.32	0.21	1.44	0.21	0.14	0.11	1.64	0.94	4.45
2021	10.0	0.35	0.32	0.20	1.44	0.21	0.14	0.11	1.72	0.94	4.49
2022	10.2	0.35	0.33	0.18	1.44	0.21	0.14	0.11	1.82	0.95	4.52
2023	10.3	0.35	0.33	0.18	1.46	0.21	0.14	0.11	1.90	0.95	4.54
2024	10.4	0.35	0.33	0.17	1.47	0.21	0.14	0.11	1.97	0.95	4.57
2025	10.5	0.35	0.33	0.16	1.48	0.20	0.14	0.11	2.04	0.95	4.61
2026	10.6	0.35	0.33	0.16	1.49	0.20	0.14	0.11	2.10	0.96	4.64
2027	10.7	0.35	0.33	0.16	1.49	0.20	0.14	0.11	2.15	0.96	4.68
2028	10.8	0.35	0.34	0.16	1.49	0.20	0.14	0.11	2.20	0.96	4.73
2029	10.9	0.35	0.34	0.16	1.50	0.20	0.14	0.11	2.25	0.96	4.79
2030	11.1	0.35	0.34	0.16	1.50	0.21	0.14	0.11	2.31	0.96	4.85

Manufacturing Employment



Employment in Professional Services

